

**COMMITTEE ON GOVERNMENT REFORM  
SPECIAL PANEL ON POSTAL REFORM AND OVERSIGHT  
CONGRESSMAN JOHN M. McHUGH, CHAIRMAN**



**MEDIA ADVISORY**

**FOR IMMEDIATE RELEASE**

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**CEOs URGE CONGRESS TO ENACT POSTAL REFORM AS  
SPECIAL PANEL WRAPS UP SERIES OF HEARINGS  
FedEx, Time, Pitney Bowes, RR Donnelly, and Capital One Among Nine  
Organizations to Testify on Wednesday**

**WASHINGTON, D.C. (Feb. 9, 2004) –**

**WHAT:** House Government Reform Committee, Special Panel on Postal Reform and Oversight Hearing: "Answering the Administration's Call for Postal Reform – Part III"

**WHEN:** Wednesday, February 11, 2004, 1 p.m.

**WHERE:** Room 2154, Rayburn House Office Building, Washington, DC

**WITNESSES:**

**Panel one:**

**Fred Smith**, Chairman and Chief Executive Officer, FedEx Corp.

**Michael Critelli**, Chairman and Chief Executive Officer, Pitney Bowes Inc.

**Ann Moore**, Chairman and Chief Executive Officer, Time Inc.

**William Davis**, President and Chief Executive Officer, R.R. Donnelly & Sons

**Nigel Morris**, co-Founder and Vice Chairman, Capital One Financial Corp.

**Panel two:**

**Lester Hess**, Chairman, Grand Lodge Advisory Committee Benevolent and Protective Order of the Elks

**Hamilton Davison**, Chief Executive Officer, Paramount Cards Inc.

**Rebecca Jewett**, President and Chief Executive Officer, Norm Thompson Outfitters Inc.

**Gary Mulloy**, Chairman and Chief Executive Officer, ADVO Inc.

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## ***BACKGROUND:***

The nine organizations providing testimony represent the major competitors, customers, and businesses that are reliant upon the United States Postal Service (USPS). These organizations are vital stakeholders in America's postal system, and all agree with the President's call for Congress to swiftly enact postal reform legislation. Executives of the organizations will provide input on key considerations for Congress as it moves forward in modernizing the nation's postal laws.

FedEx Corporation is a global provider of transportation, e-commerce and supply chain management services. Pitney Bowes Inc. produces postage meters, mailing and shipping equipment. In addition, the company offers online postage services, financing for office equipment purchases, and facilities management services. Time Inc. publishes U.S. consumer magazines, with over 140 magazines in its collection. R.R. Donnelley & Sons prints and distributes catalogs, magazines, books and direct mail in the U.S. Capital One Financial Corp. is a holding company that offers consumer financial products and services through its subsidiaries.

The Benevolent and Protective Order of Elks of the United States of America is one of the oldest and largest fraternal organizations in the U.S. Paramount Cards Inc. produces and sells everyday and seasonal greeting cards. Norm Thompson Outfitters Inc. markets private-label and brand-name apparel, footwear, and accessories for men and women. ADVO Inc. is a full-service targeted direct mail marketing services company.

### ***Other Special Panel Hearings***

This hearing is the final of three to be conducted by the Special Panel for Postal Reform and Oversight. In a hearing on January 28, the Panel heard the views on comprehensive postal reform from USPS and Administration officials. Executives from postal labor and management groups provided testimony during the panel's second hearing, held in Chicago on February 5.

### ***President's Commission and Administration Recommendations***

On July 31, 2003, the President's Commission on the Postal Service released its recommendations for maintaining the viability of USPS. Roughly half of these require legislative changes, and most of the recommendations concern issues addressed in earlier Postal Reform proposals. New issues raised by the Commission include reform of the collective bargaining process and legislative changes making it easier to close post offices and processing centers. In addition, the Commission recommended that the Postal Service not be responsible for funding the portion of CSRS employees' pensions that are attributable to their prior military service.

The Administration's commitment to swift enactment of postal reform legislation was reiterated last week in the President's Fiscal Year 2005 budget. The budget request noted the important service provided by USPS, and reinforced its recommendation that the five principles released by the Administration in December should guide postal reform efforts in Congress. Those principles are:

- **Implement Best Practices:** Ensure that USPS's governing body is equipped to meet the responsibilities and objectives of an enterprise of its size and scope.
- **Transparency:** Ensure that important factual information on USPS's product costs and performance is accurately measured and made available to the public in a timely manner.

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- **Flexibility:** Ensure that USPS's governing body and management have the authority to reduce costs, set rates, and adjust key aspects of its business in order to meet its obligations to customers in a dynamic marketplace.
- **Accountability:** Ensure that a USPS operating with greater flexibility has appropriate independent oversight to protect consumer welfare and universal mail service.
- **Self-Financing:** Ensure that a USPS operating with greater flexibility is financially self-sufficient, covering all of its obligations.

#### ***ABOUT THE SPECIAL PANEL ON POSTAL REFORM AND OVERSIGHT:***

The House Government Reform Committee's Special Panel on Postal Reform and Oversight is charged with helping reform the outdated postal system, currently facing about \$90 billion in liabilities and obligations and in the midst of the most significant challenges to preserving universal mail service since it became an independent government entity under the Postal Reorganization Act of 1970.

The panel is chaired by Rep. John M. McHugh (R-NY), and is working closely with the Administration. Rep. McHugh and the panel report directly to Government Reform Committee Chairman Tom Davis, making postal reform a full committee priority.

Other Committee members appointed to the panel are: Reps. Dan Burton (R-IN) Edward L. Schrock (R-VA), Candice Miller (R-MI), Tim Murphy (R-PA), Marsha Blackburn (R-TN), Danny K. Davis (D-IL), Major R. Owens (D-NY), Edolphus Towns (D-NY) Carolyn B. Maloney (D-NY), and Wm. Lacy Clay (D-MO).

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